STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

COG OPERATING, LLC'S FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NO. 14649

COG OPERATING, LLC'S FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE:NO::14650

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by COG Operating, LLC ("Concho") as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

COG Operating, LLC Attn: David Evans 550 West Texas Ave. Midland, TX 79701 (432) 683-7443

ATTORNEY

Ocean Munds-Dry, Esq. Holland & Hart LLP 110 N: Guadalupe Suite 1 Santa Fe, NM 79701 (505) 988-4421

RECEIVED OCD 2011 HAY 19 P 2: 36

STATEMENT OF THE CASE

CASE 14649

Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in Glorieta Yeso formation underlying the SW/4 SW/4 of Section 24, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico for all pools developed on 40-acre spacing within this vertical extent. This unit will be dedicated to the Puckett "24" Fed Well No. 61 to be drilled at a standard location in Section 24. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said wells. Said area is located approximately 9 miles east of Loco Hills, New Mexico.

CASE 14650

Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 13, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico for all pools developed on 40-acre spacing within this vertical extent. This unit will be dedicated to the Puckett "13" Fed Well No. 61 to be drilled at a standard location in Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said wells. Said area is located approximately 9 miles east of Loco Hills, New Mexico.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Stuart Dirks Petroleum Landman	Approx. 15 min.	Approx. 10
David Evans, Petroleum Landman	Approx. 15 min.	Approx. 5
Harvin Broughton, Petroleum Geologist	Approx. 20 min	Approx. 5
Richard Prentice Reservoir Engineer	Approx. 1 hour	Approx. 10

PROCEDURAL MATTERS

COG Operating, LLC has none at this time.

Sincerely,

Ocean Munds-Dry

Attorney for COG Operating, LLC

CERTIFICATE OF SERVICE

I certify that on <u>5/19/2011</u> I served a copy of the foregoing document to the following by fax:

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504

Ocean Munds-Dry